



Straits Index (M) Sdn Bhd.
WinChart Technical Analysis
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Open:4384.340 High:4474.770 Low:4384.340 Close:4474.770 +117.160(2.7%) Volume:
FBM-MDQ [FBMACE] 08/07/2009 - 05/01/2010 Ticks=123 { Indices } Bollinger Band(10,2) 65% - STC(9,3) %K=100.0, %D=96.61 (3.39) Daily (Fibo) 05-1-2010 16:59
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FBMACE Index Technical Analysis, 05/01/2010, by Straits Index (M) Sdn Bhd

As indicated by A, the FBMACE opened gapped up on Tuesday, breaking above the 4417 WinChart Automatic Fibonacci Retracement, and gained 117.16 points or 2.7%. Support for the FBMACE is at 4417 WinChart Automatic Fibonacci Retracement as well as the Bollinger Middle Band dynamic support; while the resistance is at 4560 WinChart Automatic Fibonacci Retracement.

As shown on the chart above, the Bollinger Bands expanded 65%, while the FBMACE is still above

the Bollinger Middle Band. Therefore, the bullish movement of the FBMA CE continues. Since the FBMA CE has risen 5 consecutive trading days, and it is also breaking above the Bollinger upper band, this suggests that the FBMA CE is now over heating. But, nonetheless, provided that the Bollinger Bands is still expanding, with the FBMA CE above the Bollinger Middle Band, the bullish biased movement is expected to carry on.

As circled at B, the Stochastic %D line has broken above 90% level, which implies that the short term movement of the FBMA CE is now over-heated. Therefore, there is a chance of a technical correction in the near term. Nevertheless, if the Stochastic should stay above 70% level, the short term bullish signal shall remains intact.

As circled at C, the MACD histogram is still rising while no Rounding Top is formed yet. Therefore, this suggests that the FBMA CE is still gaining strength. Technically speaking, when the MACD histogram forms a Rounding Top, it is a signal suggesting a consolidation or a technical correction for the FBMA CE.

In conclusion, the FBMA CE has gained over 270 points or 6.4% since breaking above the Bollinger Middle Band. With some over-heating signs, a technical correction is likely to take place in the near term. However, provided that the FBMA CE is still supported by the Bollinger Middle Band after the possible correction, the bullish biased movement of the FBMA CE shall remains intact.

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